REMARKS/ARGUMENTS

Favorable consideration of this application is respectfully requested.

Claims 1-31 are presently active in this application. Claims 1-3, 5, 11, 19-21, 23-27, and 29-31 have been amended to better conform to U, S. claim practice and to overcome the objection to Claim 19. In addition, independent Claim 1 and associated dependent Claim 2, independent Claim 19 and associated dependent Claim 20, independent Claim 25 and associated dependent Claim 26, and independent Claim 29 and associated dependent Claim 30 have all been amended to move public mode limitations from the respective dependent claims (2, 20, 26, and 30) to the associated independent claims (1, 19, 25, and 29) and to also include a local mode limitation providing antecedent basis for the local mode still included in these dependent claims. All of these amendments are clearly supported by page 70, line 25 to page 71, line 3; page 72, line 5 to page 73, line 3; and page 76, lines 5-11 of the specification. Thus, no new matter has been included.

The outstanding Office Action presents an objection to Claim 19, a rejection of Claims 1-31 under 35 U.S.C. § 101, and a rejection of Claims 1-31 under 35 U.S.C. § 102(e) as being anticipated by <u>Butler</u> (U.S Patent No. 7,167,182).

The objection to Claim 19 is respectfully submitted to be overcome by the present amendment to that claim that adopts the language suggested in the outstanding Action.

Withdrawal of this objection is, thus, respectfully requested.

The rejection of Claims 1-31 under 35 U.S.C. § 101 is traversed as to Claims 19-31 because relied upon MPEP §2106 IV.B.2.(b) is only relevant to process claims, not apparatus claims like Claims 19-24, not system claims, like Claims 25-28, and not tangible medium claims like Claims 29-31. Accordingly, as none of Claims 19-31 are process claims, no reason to reject non-process Claims 19-31 under 35 U.S.C. § 101 based upon MPEP §2106 IV.B.2.(b) has been presented. Therefore, withdrawal of the clearly improper

35 U.S.C. § 101 rejection of Claims 19-31 based on MPEP §2106 IV.B.2.(b) process claim guidelines is respectfully submitted to be in order.

Furthermore, to the extent that Claims 1-18 are process claims, and contrary to what is stated in MPEP §2106 IV.B.2. (b), these process Claims 1-18 fully comply with 35 U.S.C. § 101 for the reasons recently noted by the Board of Appeals at attached page 37 from *Ex parte Bilski*, Appeal no. 2002-2257 (September 26, 2006) which is available on the PTO website as an "informative opinion," i.e., an opinion illustrative to the examining corps of the norm at the Board. Attached page 37 of *Bilski* points out that the guidance in MPEP §2106 IV.B.2.(b) that is derived from the PTO guidelines is seriously in error in terms of "perpetuating the misunderstanding that 'transformation' [in a process claim] requires transformation of a tangible object or article, contrary to cases that explain that subject matter transformed can be physical, yet intangible, phenomena such as electrical signals." To whatever extent the *Bilski* decision can be argued to be less than binding precedent, the decision cited therein (*In re Schrader, 22 F.2d 290, 295* n. 12, 30 USPQ2d 1455, 1459 n. 12 (fed. Cir. 1994)) is clearly binding precedent.

As Claims 1-18 all include processing of electrical signals and meet the requirements of the above-noted *Bilski* and *Schrader* decisions as to qualifying as processes under 35 U.S.C. § 101, withdrawal of the clearly improper 35 U.S.C. § 101 rejection of Claims 1-18 based on the erroneous statement in MPEP §2106 IV.B.2.(b) is also respectfully requested.

Turning to the rejection of Claims 1-31 as being anticipated by <u>Butler</u>, it is noted that <u>Butler</u> merely proposes a multiparty conferencing and collaboration system for sharing applications. The system of <u>Butler</u> has a mechanism for judging whether to allow, revoke, pause or invite control of the shared applications.

On the other hand, the present independent Claims 1, 19, 25, and 29 all require judging how one of a plurality of computers mutually coupled via a network will process the

data received from another of these coupled computers. This judgment is completely different from and completely unrelated to the judgment made in <u>Butler</u>.

In this last respect, the subject matter of the independent Claims 1, 19, 25, and 29 includes storing data received from one or more other computers by the communicating function of the receiving computer (the "one computer" in these claims) and judging whether or not to output the received data to the output function of this one computer depending on a mode attribute of the received data and a communication mode of this one computer. When it is judged that the mode attribute of the received data indicates a public mode and the one computer is in the public mode, the one computer immediately outputs the received data to the output function thereof to reflect the received data to the display. On the other hand, if it is judged that the mode attribute of the received data indicates a public mode and the one computer is in the local mode, the one computer does not immediately output the received data to the output function, instead, the display is maintained independent of the received data.

According to these independent claims, it is thus possible to distinguish public information, local information (and private information), and also effectively and efficiently process such different types of information, so that the problems of the conventional presentation and conference system and the problems of the client-server type presentation or conference systems are eliminated, and the flexible exchange of digital information is made possible. It is also possible to enable public information and the local information to be distinguished from each other, and at the same time, enable the public information to be received while engaged in local operation, and also not to affect displays of other computers during the local mode. These advantageous features of the present invention are described on page 14, lines 7-24 and page 15, lines 10-12 of the specification, for example.

These features and effects of the present invention are not taught or suggested by Butler.

Furthermore, since the received data is stored in the one computer when it is judged that the mode attribute of the received data indicates the public mode but the one computer is in a local mode, all as recited in the dependent Claims 2, 20, 26, and 30, this stored received data may be made available later at an arbitrary time.

Butler also fails to teach or even suggest these additional features and effects of the dependent Claims 2, 20, 26, and 30.

Therefore, <u>Butler</u> fails to teach the subject matter of the present invention recited in each of the independent Claims 1, 19, 25, and 29 or that in dependent Claims 2, 20, 26, and 30. In addition, the subject matter of the present invention recited in each of the independent Claims 1, 19, 25, and 29 and in dependent Claims 2, 20, 26, and 30 is not suggested by and is not obvious from <u>Butler</u>. Accordingly, withdrawal of the rejection of Claims 1, 2, 19, 20, 25, 26, 29, and 30 is respectfully requested.

The remaining dependent claims (3-18, 21-24, 27, 28, and 31) all include at least the features of the independent claims argued above. Accordingly, dependent Claims 3-18, 21-24, 27, 28, and 31 all patentably define over <u>Butler</u> at least for the reasons noted above as to independent Claims 1, 19, 25, and 29. In addition, each of dependent Claims 3-18, 21-24, 27, 28, and 31 set forth features in addition to those found in independent Claims 1, 19, 25, and 29 that are not taught or suggested by <u>Butler</u>, and further patentably define over this reference for this reason as well.

Application No. 10/662,532 Reply to Office Action of February 9, 2007

It is respectfully submitted that no further issues remain outstanding in the present application, and that this application is, accordingly, clearly in condition for formal allowance and an early and favorable action to that effect is, therefore, respectfully requested.

Respectfully submitted,

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